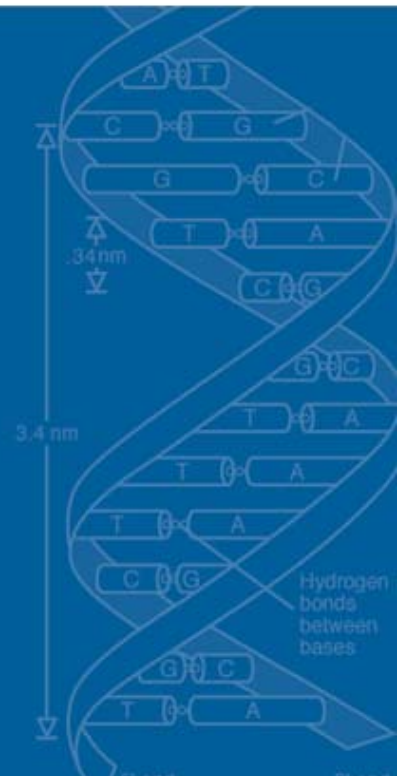


# Genentech - A Biotech Case Study

## *Water Sustainability in Silicon Valley: A Vision for the Future*



# Our Mission

Our mission is to be the leading biotechnology company, using human genetic information to discover, develop, commercialize and manufacture biotherapeutics that address significant unmet medical needs. We commit ourselves to high standards of integrity in contributing to the best interests of patients, the medical profession, our employees and our communities, and to seeking significant returns to our stockholders based on the continued pursuit of excellent science.

# Genentech Today



## Scale

- Genentech employs more than 6,200 people at three main sites.
- Genentech's manufacturing facilities are responsible for more than 30% of the worldwide production of therapeutic proteins.
- Genentech has the largest single-site biotech research facility in the world.
- Genentech owns or leases more than 2.8 million square feet of space in SSF.

## Growth

- Genentech currently has 13 marketed products and approximately 20 projects in development.
- Genentech hired 1,500 new employees in 2003 and anticipates it may hire as many as 1,100 new employees throughout the company in 2004.
- On April 1, Genentech announced expansion plans in Vacaville for a 380,000 square foot manufacturing facility.
- Construction is underway in South San Francisco on a 125,000 square foot office building and a new parking structure.

# A Fully Integrated Company

Our end-to-end integration consists of four critical stages.

## Research

The wellspring of potential products.

## Development

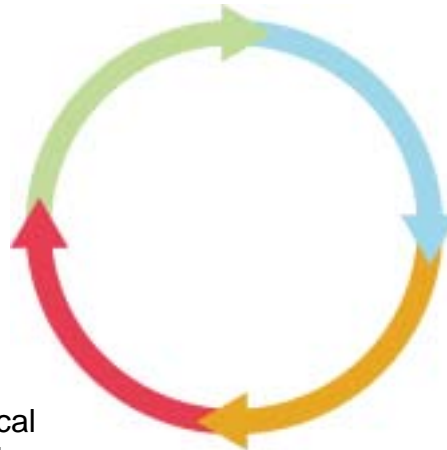
The bridge from basic science to patient benefit.

## Commercialization

Where we educate the medical community about our therapies.

## Manufacturing

A complex process where Genentech leads.



# What Are Biotech Medicines?

- Biotech medicines use the human body's own natural defense mechanisms—cells, genes, proteins, enzymes and antibodies—to fight disease.
- Drug discovery involves systematically identifying which protein is causing a problem in the body, and then identifying and engineering a protein or related molecule to correct the problem.
- Recombinant DNA technology is the technology at the foundation of biotechnology and Genentech.

# What are our raw materials?

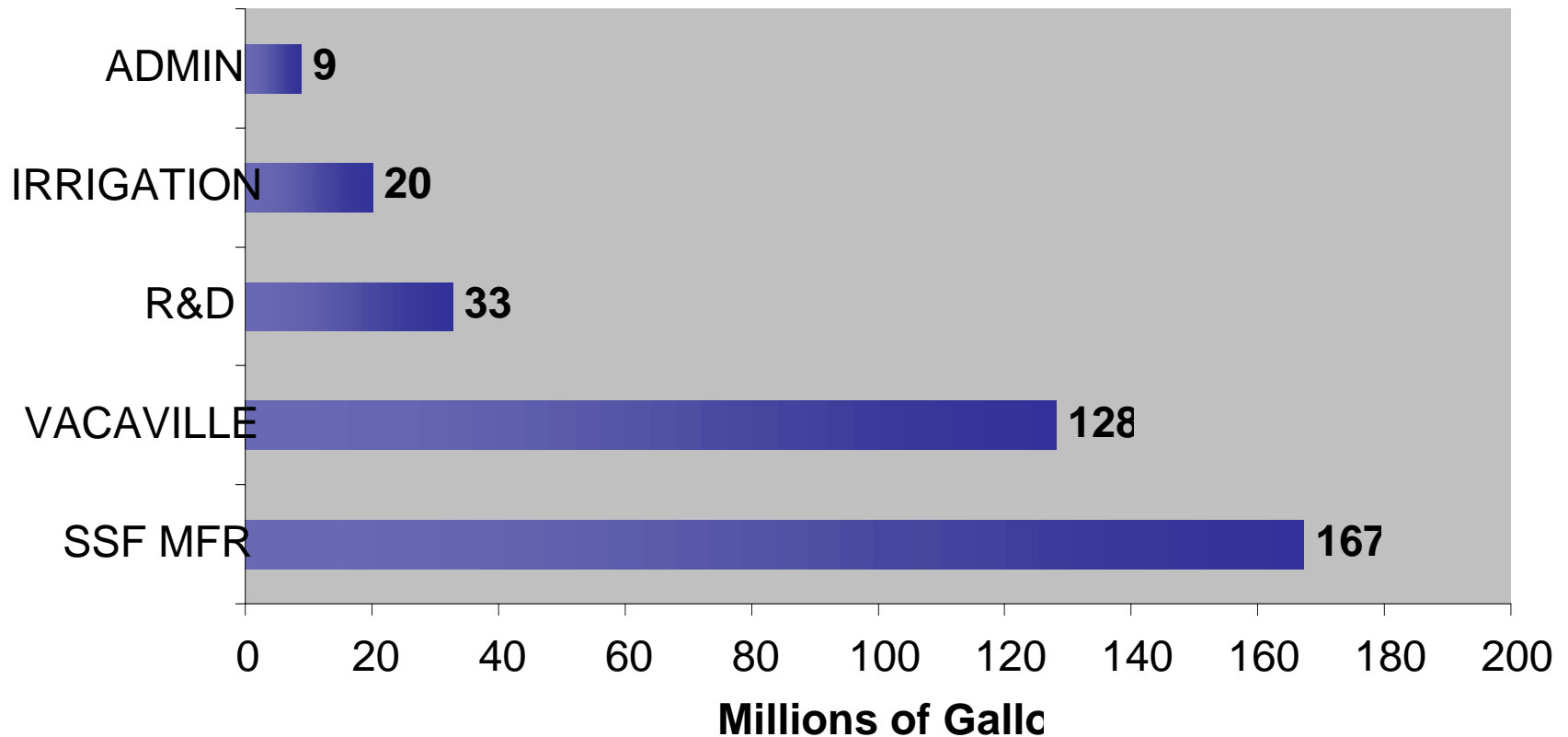
- Genetically modified cells
- Water



# Our Water Use

- Genentech's operations rely on a reliable supply of water for both manufacturing and R&D.
- Genentech is the largest industrial water user in SSF and will become the largest industrial water user in Vacaville after completion of our new manufacturing plant.
- Manufacturing processes consumes ~75% of water in SSF operations (SSF operations include Administration and R&D).
- >90% of water not in final product

## Genentech Water Use 2003





## Our water conservation approach

- Efficiencies of scale.
- Use non-potable water where possible.
- Continue to explore water reuse from utilities.

## Water policy considerations

- Genentech supports investment to enhancement of the water supply infrastructure.
- Concerned that unproductive tertiary treatment standards being applied by some regional boards divert investments from critical supply and infrastructure demands.